RAJYA SABHA

Thursday, the 12th May, 1988/22 Vaisakha, 1910 (Saka)

The House met at eleven of the Clock, the Deputy Chairman, in the Chair.

ORAL ANSWERS TO QUESTIONS

Development of Electronic Industries in U.P.

*261.DR. MOHD. HASHIM KIDWAI : Will the PRIME MINISTER be pleased to state :

(a) whether there is any proposal under Government's consideration to develop electronic industries in Uttar Pradesh; and

(b) if so, by when the proposal is likely to be implemented and what is the total amount earmarked for implementing the proposal and what is the number of units which would come up under this proposal ?

THE MINISTER OF STATE IN THE MINISTRY OF SCIENCE AND TECHNOLOGY AND THE MINISTER OF STATE IN THE DEPARTMENTS OF OCEAN DEVELOPMENT, ATOMIC ENERGY, ELECTRONICS, AND SPACE (SHRI K. R. NARAYANAN) : (a) and (b) There has been considerable development of electronic industries in the State of Uttar Pradesh in recent years. Government is encouraging State Government and other agencies for further promotion of electronics in the State. However, currently there is no specific proposal from the State Government of U.P. under consideration of the Government of India.

DR. MOHD. HASHIM KIDWAI : Madam, through you, may I know from the Minister the names and number of electronic industries in Uttar Pradesh ?

SHRI K. R. NARAYANAN: Madam, I have a list of industries. First of all, may I give the total production of electronic goods in Uttar Pradesh ? It is worth Rs. 790 crores. I would like to say that Uttar Pradesh stands second in the value of electronic production. It has moved from third position to the second position. Some of the major enterprises are in the Central public sector—Hindustan Aeronautics, Bharat Electronics Ltd., Indian Telephone Industries Ltd., Central Electronics Ltd. In the State public sector—Electronics Corporation Ltd., Uptron Capacity Ltd., Uptronics Communication and Instruments Ltd., Uptron India Ltd., Uptron India Ltd., Digital system unit., Uptron Colour Picture Tubes Ltd. In the private sector also there are some major industries. For example, Samtel Colour Picture Tubes Ltd. in Ghaziabad. Of course, there are many projects in the private sector.

SHRI RAOOF VALIULLAH : Madam Deputy Chairman, the question also relates to the new electronics policy which the Government assured in the last session that it would be announced very soon. I understand that it has already been formulated but due to serious differences between the Department of Electronics on the one hand and the user Departments like Department of Telecommunication and Department of Industrial Development on the other, the policy has not been announced. Madam, on this depends the future of electronic industries in the country. May I know from the Minister whether screw-driver technology so far encouraged in the State sector like Uptron, Keltron, Meltron and Gujarat Communication Electronics Ltd., which are nothing but assembling units would be discouraged in the new policy ? Therefore, any question relating to new electronic industries in this country should be based on the new electronics policy. Therefore, I would like to know from the Minister, what is the reaction of the Government ?

SHRI K. R. NARAYANAN : First of all, may I say that this question does not relate to new electronics policy of the Government of India. It is very clear.

SHRI RAOOF VALIULLAH : Have you formulated new electronic policy or not ?

SHRI K. R. NARAYANAN : However, I am prepared to answer his question. A new electronics policy is under discussion.

The Electronics Commission has discussed various documents and papers and is submitting a proposal for the consideration of the Government of India. There have been no differences except normal discussions in a Commission on an important matter like this which has naturally taken time and it will be processed by the Government of India and the policy will come out in good time.

SHRI RAOOF VALIULLAH: Mr. Nambiar, Secretary of the Department of Electronics has gone on record.

SHRI K. R. NARAYANAN: Record on what?

SHRI RAOOF VALIULLAH: That there are differences between the Department of Electronics and other user Ministries and that is why electronics policy has not been announced so far.

SHRI K. R. NARAYANAN: I do not know if he has made such a statement. Press reports are not always authentic. But I want to say that, naturally, when you fashion out a policy in electronic industries or in any other realm, there would be different views, there would be differences between the departments. Otherwise, there is no need for discussion at all. The purpose of the Electronics Commission is to reconcile these differences and come to a consensus and as I have said, we have come to certain proposals which are under submission to the Government and it is for the Government to take a decision on these proposals.

SHRI SATYA PRAKASH MALAVIYA: Madam, the Minister has replied that there is no specific proposal from the State of U.P. under consideration of the Government of India and the Prime Minister always says that electronics occupies a key position in modern science and technology. Will the Minister kindly let me know whether the Government of India of its own accord has any specific proposal for developing electronics industries in U.P.?

SHRI K. R. NARAYANAN: Well as a matter of fact, the Central public sector dominates the electronic industry in U.P. For example, the Central public sector is responsible for Rs. 360 crores worth of electronic industries, the State public sector, Rs. 65 crores and organised private sector, Rs. 210 crores and there are also small scale... *(Interruptions)*...

SHRI SATYA PRAKASH MALAVIYA: It is for future programme.

SHRI K. R. NARAYANAN: For future, already the Central sector occupies a predominant place in the electronic industries sector of U.P. For future, as I said, there are no proposals from the State Government with us currently. But we are going to set up a Centre for Electronics Design and Technology in eastern U.P. This is for developing designs and technology for helping entrepreneurs who are engaged in the electronic industry, for training peoples, for giving them incentives, for giving them the know-how and also a bit of consultancy service. There are at present only four such centres being planned in India. Three more such centres are under planning. Thus seven centres are being planned and out of the seven centres, one would be in eastern U.P.

SHRI BIR BHADRA PRATAP SINGH: Madam Deputy Chairman, since there are no proposals from the State Government, U.P. is out of consideration. But looking to the situation, the geographical situation, the safety zone and other consideration, I think, at least there is scope in three industries—I cannot say about telephones—because so far as telephones are concerned, we can export only a few components. But my belief is that in the television field, we should have been self-sufficient by now and we should have been exporting televisions and earning foreign exchange. So far as computers are concerned, certain types of computers could be exported from India provided there is proper manufacturing of these items. The most suitable place for these items could be the State of Uttar Pradesh because of the location and because of the political conditions. Simply because the State Government has not put forward any proposal, this is out of consideration. May I know from the Minister why

should he not consider on his own and establish these electronic industries in Uttar Pradesh which is a most suitable place for such enterprises ?

SHRI K. R. NARAYANAN : Sir, this does not mean that the Government will not consider in future the establishment of electronic industries in U.P. What I said was that as at present, we have no proposal pending from the State Government but there are several proposals from the private sector in U.P. which are pending with the Government and which are under the consideration of the Government of India. There are about 16 such proposals which are under consideration. I agree with the hon. Member that there are considerable prospects for development and export of computers, T.V. sets etc. from India. Already some software we are exporting and some computers are also being exported. In fact, we have made some contract with Hongkong and we are going, probably, to make some contracts with the People's Republic of China for the export of microprocessors of eight-bit computer systems. But, as I said, U.P. has already some of the very important, big, electronic industries. In fact, it takes the second place in India only next to Maharashtra. In Maharashtra which occupies the first place, electronic development has taken place primarily through private enterprise in the private sector.

DR. (SHRIMATI) SAROJINI MAHISHI: Madam, Keltron developed in Kerala due to dynamic personality behind it and the spare part manufacturing was started in the different districts of Kerala. Therefore, Keltron came up in a very prosperous condition. But other concerns in U.P., Uptron and others, could not do it because they are only assembling concerns and the marketing and the after-care responsibility rests with the people assembling. Therefore, I would like to know from the Government what exactly is the new electronic policy and what are the different industries which can come up immediately so that, of course, we may not be far behind the other developing countries.

SHRI K. R. NARAYANAN : Well, there is the U.P. State Electronics Development Corporation which has been doing very well. Uptron is manufacturing colour TV tubes and as I read out in the list, many of the industrial projects in U.P. belong to the Uptron system. I have no doubt that the State Electronics Corporation can do tremendous lot. In fact, I think the primary responsibility should go to the State itself and the private sector in the State for the development of an industry like electronics where there is a great scope for initiative from the State and from the private sector. The Centre, of course, would be willing to give technological and other types of help for the development of such industries. And if there are any major industries calling for assistance, we will certainly consider it.

Privatisation of Defence Production

*262. SHRIMATI KANAK MUKHERJEE : Will the Minister of DEFENCE be pleased to state :

(a) whether it is a fact that a part of the defence production is being handed over to the private sector; and

(b) if so, what are the details thereof and the reasons therefor ?

THE MINISTER OF STATE IN THE DEPARTMENT OF DEFENCE PRODUCTION AND SUPPLIES IN THE MINISTRY OF DEFENCE (SHRI SHIVRAJ PATIL): (a) and (b) A Statement is laid on the Table of the House.

Statement

The policy of the Government is to make optimum use of the national industrial infra-structure. In conformity with this policy, it is the endeavour of Government to exploit to the extent feasible the available resources in the civil sector industry comprising the private sector and the public sector and to set up new capacities in the Defence sector if such capacity does not exist in the civil sector except in the case of lethal and sensitive equipments the production of which will be confined to the Defence sector.

In consonance with this policy, some low technology and low value added items have been identified for off-loading from the Ordnance Factories to the civil sector in a phased manner with a view to opti-